Alberta Economy

Indicators at a Glance

Economic Activity

There was little change in the Alberta Activity Index in August. The index continues to be above last year's levels, up 5.6% year-over-year (y/y). In 2016, Alberta's real GDP by expenditure fell by 3.7%, the largest drop among the provinces for the second year in a row.

Population

Alberta's population was 4,286,134 as of July 1, 2017, an increase of 1.2% from the year prior. Canada's population grew 1.2% from a year ago.

Migration

Net migration to Alberta was 5,486 in the second quarter of 2017. During this time, Alberta welcomed 10,400 net international migrants. However, there was a net outflow of interprovincial migrants (-4,914), the eighth consecutive quarterly decline.

Employment[1]

Alberta added 11,900 jobs in October as full-time job gains (+18,900) more than offset a decrease in part-time positions (-7,100). Employment increased 0.7% y/y, reflecting employment gains in both the goods and services sectors.

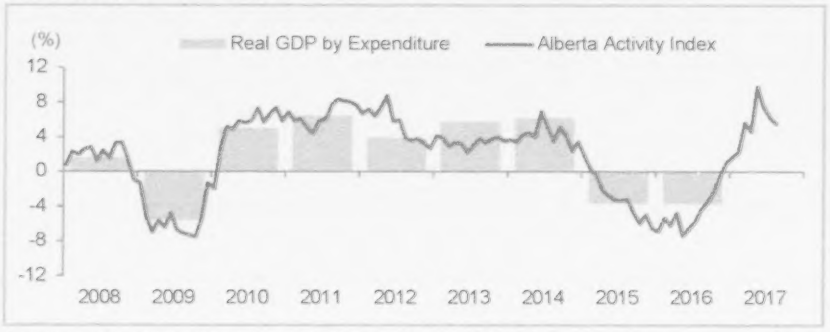
Unemployment Rate[1]

Alberta's unemployment rate fell 0.1 percentage point to 7.8% in October. Canada's unemployment rate ticked up 0.1 percentage point to 6.3%.

Rigs Drilling

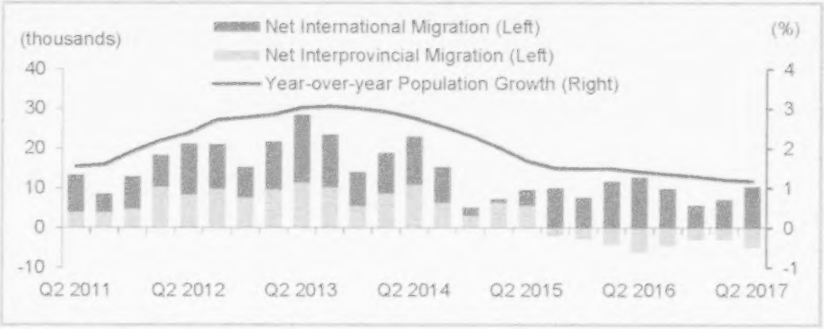
The number of active rigs in Alberta averaged 133 in October, up 31% y/y. Year-to-date, the number of active rigs has averaged 127, up 84% from 2016.

Economic Activity
Year-over-year % change



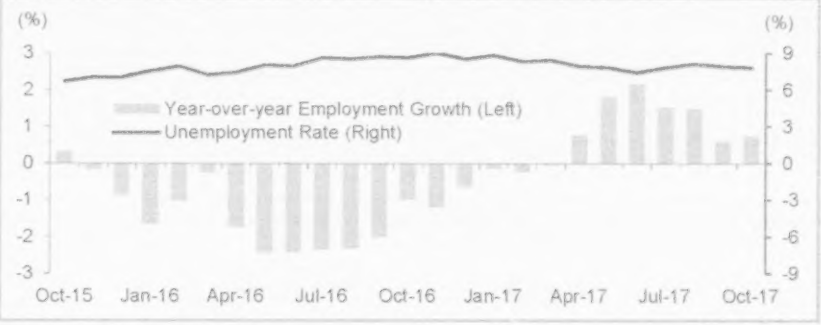
Sources: Statistics Canada and Alberta Treasury Board and Finance

Demographics
Quarterly



Source: Statistics Canada

Labour Market
Monthly



Source: Statistics Canada

Inflation

The Alberta Consumer Price Index (CPI) held firm at 1.3% y/y in October. Excluding food and energy prices, inflation ticked up 0.2 percentage points to 0.9% y/y. However, the Canadian inflation rate ticked down to 1.4% y/y.

Average Weekly Earnings[1]

Average weekly earnings (AWE) in Alberta rose by 0.6% m/m in August to $1,134. Earnings rose 1.1% y/y as higher earnings in the service sector (+1.9% y/y) were partially offset by lower earnings in the goods sector (-0.8% y/y).

NEW: Retail Sales[1]

Alberta retail sales grew 0.3% m/m to $6.7 billion in September. Retail sales are up 7.6% y/y, the tenth consecutive month of year-over-year gains.

Housing Starts[1]

Alberta housing starts rose 0.7% m/m in October to 29,403 units (annualized). Housing starts were up 15% y/y, as both single-family starts (+15% y/y) and multi-family starts (+17% y/y) improved.

New Housing Price Index

Alberta's New Housing Price Index (NHPI) increased 0.3% y/y in September as the price of land (+0.7% y/y) and the house-only component (+0.1% y/y) were up.

Building Permits[1]

Alberta building permits increased 14.7% m/m (+12% y/y) in September to $1.3 billion. Non-residential permits rose 28% y/y and residential permits were up a modest 1% y/y.

[1] Seasonally adjusted

Contact

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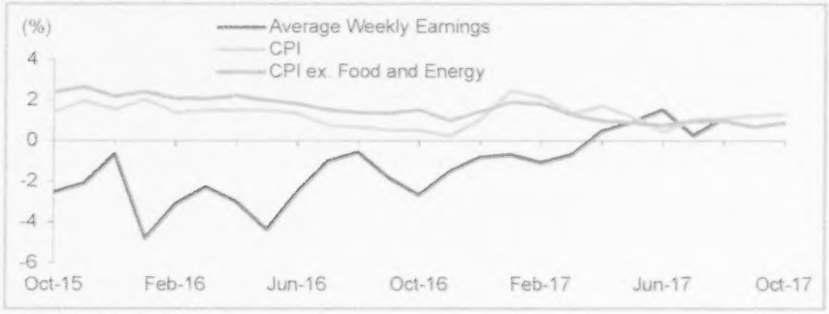
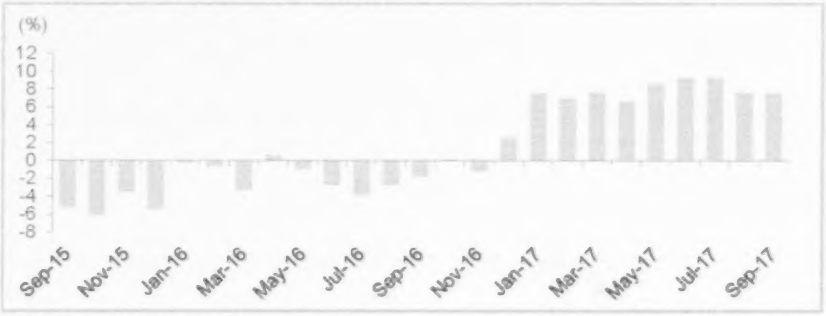
Inflation and Earnings
Monthly, year-over-year % change



Source: Statistics Canada

Retail Sales
Monthly, year-over-year % change



Source: Statistics Canada

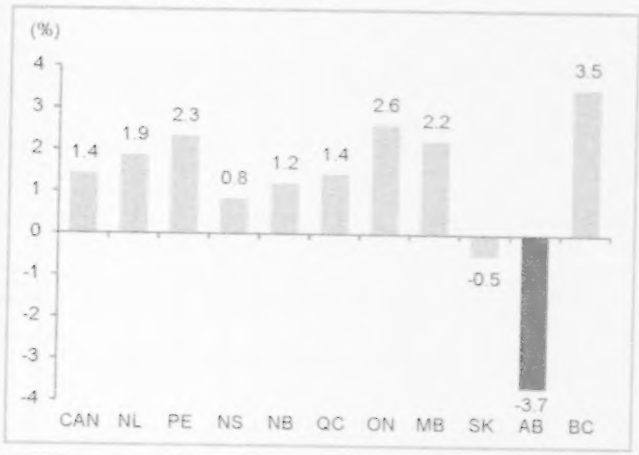
Housing Market
Monthly

Source: Statistics Canada, Canada Mortgage and Housing Corporation

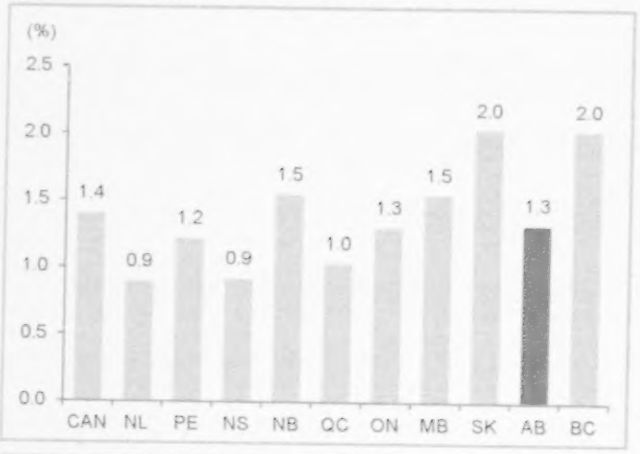
	Canadian Dollar (USc/$CAN)	WTI Oil ($US/bbl)	NYMEX Natural Gas ($US/MMBtu)	Alberta Reference Price ($C/GJ)
Latest (November 23, 2017)	78.65	58.02	2.97	1.20 (September)
Fiscal year-to-date	77.51	49.42	3.03	1.91

Please see the *Weekly Economic Review* for current analysis on the Alberta economy.

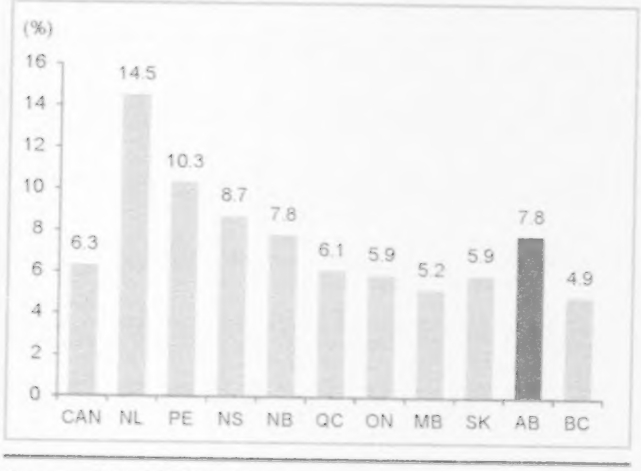
Real GDP by Expenditure
(2016, year-over-year growth)



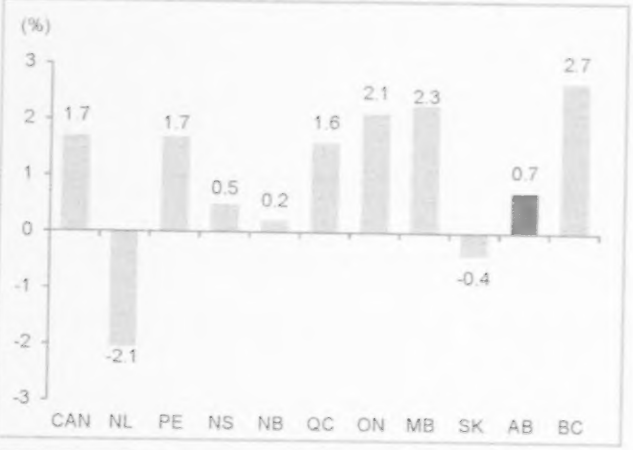
CPI Inflation
(October 2017, year-over-year growth)



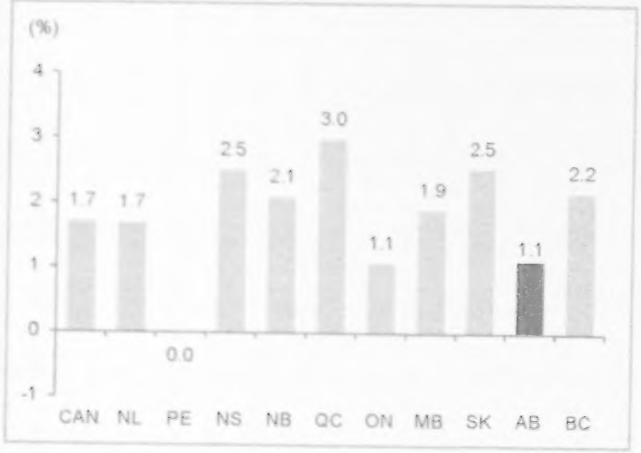
Unemployment Rate
(October 2017)



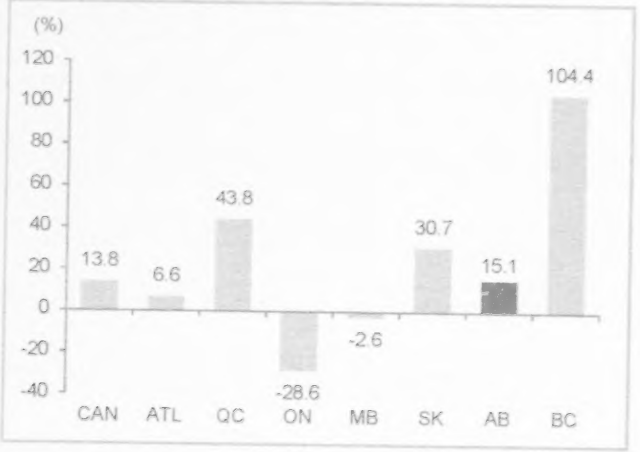
Employment
(October 2017, year-over-year growth)



Average Weekly Earnings
(August 2017, year-over-year growth)



Housing Starts
(October 2017, SAAR, year-over-year growth)



Alberta Economic Indicators

	2015	2016	2017YTD	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17
Alberta Activity Index (y/y % change)	3.0	4.4	5.4	9.6	7.4	6.3	5.6		
Population[1]									
Population (thousands)	4,176	4,236	4,286			4,286			
y/y % change	1.7	1.4	1.2			1.2			
Net Interprovincial Migration	21,594	-15,108	-15,131			4,914			
Net International Migration	15,694	42,102	33,210			10,400			
Labour Market									
Employment (thousands, SA)	2,301	2,264	2,284	2,291	2,289	2,284	2,287	2,293	2,291
m/m change (thousands)				2.1	7.5	14.4	2.3	7.8	11.9
y/y % change	1.2	-1.6	0.9	1.8	0.7	1.5	1.5	0.6	0.7
Unemployment Rate (%, SA)	6.0	8.1	8.0	7.8	7.4	7.8	8.1	7.9	7.8
Participation Rate (%, SA)	73.0	72.5	72.5	72.5	72.4	72.7	72.5	72.6	72.2
Average Weekly Earnings ($, SA)	1,146	1,119	1,121	1,112	1,135	1,120	1,134		
y/y % change	0.3	2.4	0.2	0.9	1.5	0.2	1.1		
Household Sector									
NEW Retail Sales ($ million, SA)	76,019	75,110	60,453	6,784	6,793	6,753	6,705	6,727	
y/y % change	-4.0	1.2	7.9	8.5	9.3	9.3	7.6	7.6	
New Vehicle Sales (units, thousands)	242	224	193	24	24	22	23	23	
y/y % change	-12.7	7.6	13.0	17.2	14.2	14.3	18.4	9.8	
Consumer Price Index (y/y % change)	1.1	1.1	1.4	1.2	0.4	1.0	1.1	1.3	1.3
Excluding Food & Energy	2.3	1.7	1.1	0.9	0.7	1.1	1.0	0.7	0.9
Housing Starts, (SAAR, '000's)	37.3	24.5	29.3	32.6	31.0	33.8	26.1	29.2	29.4
y/y % change	8.1	-34.2	20.6	47.4	37.3	32.0	32.6	0.0	15.1
New Housing Price Index (y/y % change)	0.7	0.5	0.3	0.8	0.4	0.0	0.1	0.3	
Resale Home Sales	56,471	52,166	46,841	4,545	4,610	4,549	4,624	4,672	4,509
y/y % change	21.3	-7.6	7.6	4.0	3.1	1.4	6.4	5.0	5.1
Sales to New Listing Ratio	0.52	0.49	0.49	0.45	0.45	0.46	0.47	0.46	0.47
MLS Average Resale Prices ($ thousands)	393	395	398	402	402	395	395	394	399
y/y % change	1.9	0.4	1.4	2.3	3.2	1.7	0.6	1.1	1.0
Consumer Bankruptcies (level)	4,280	5,437	3,401	460	435	328	450		
y/y % change	10.9	26.8	-7.2	4.2	8.4	13.9	2.5		
Business Sector									
Goods Exports (customs based $ million)	92,441	78,905	74,300	8,848	8,057	7,598	8,142	7,525	
y/y % change	24.0	-14.6	32.4	56.5	29.3	21.0	15.1	7.8	
Energy Products ($ million)	62,500	51,537	51,655	6,130	5,496	5,064	5,747	5,116	
y/y% change	31.5	17.5	44.1	80.9	35.2	27.4	19.1	7.9	
Agricultural Products ($ million)	6,474	6,284	5,310	710	583	539	526	496	
y/y % change	0.2	-2.9	16.1	33.4	17.5	12.1	19.2	4.9	
Rigs Drilling	120	79	127	61	87	119	126	127	133
y/y% change	-52.6	34.0	85.1	142.7	112.8	103.6	66.8	59.7	31.3
Manufacturing Shipments ($ million, SA)	68,178	62,700	52,776	6,054	5,966	5,804	5,885	5,840	
y/y% change	-14.3	-8.0	13.9	19.8	13.8	10.4	10.0	9.9	
NEW Wholesale Trade ($ million, SA)	79,380	71,765	59,018	6,775	6,569	6,801	6,669	6,709	
y/y% change	6.3	9.6	9.8	16.5	0.3	15.4	10.7	14.3	
Building Permits ($ million, SA)	16,753	14,200	10,244	1,181	1,099	1,037	1,153	1,322	
y/y% change	8.2	-15.2	-0.1	15.9	10.9	8.2	5.4	11.9	
Residential Permits ($ million, SA)	9,876	7,930	6,253	749	711	666	779	704	
y/y % change	8.8	-19.7	13.7	34.1	23.0	11.3	29.5	0.8	
Non-Residential Permits ($ million, SA)	6,877	6,270	3,990	432	388	371	373	618	
y/y% change	7.4	-8.8	-16.2	-6.3	-6.9	-30.2	-24.3	28.0	
Non-Res. Building Const. Price Index[2] (y/y % change)	0.7	2.8	0.2		0.7			0.9	

[1] Population data presented on a census year basis (July 1– June 30). The current census year 2017.

[2] Quarterly, average of Calgary and Edmonton

YTD YTD (year-to-date). "SA" denotes seasonally adjusted. "SAAR" denotes seasonally adjusted at annual rate.

Sources: All data is from Statistics Canada except the Alberta Activity Index (Alberta Treasury Board and Finance), Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).All historical data are subject to revision